

# M e m o r a n d u m

To: Panel Members Date: June 22, 2007

From: Diana Torres, Manager Analyst: K. Campion

Subject: One-Step Agreement for **THC - ORANGE COUNTY, INC. DBA KINDRED HEALTHCARE WESTMINSTER**

## **CONTRACTOR:**

- Training Project Profile: SET-Workers Earning At Least State Avg Hrly Wage
- Legislative Priorities: Moving To A High Performance Workplace
- Type of Industry: Services Healthcare
- Repeat Contractor: No
- Contractor's Full-Time Employees
  - Worldwide: 55,000
  - In California: 2,147
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: N/A

## **CONTRACT:**

- Program Costs: \$394,254
- Substantial Contribution: \$0
- Total ETP Funding: \$394,254
- Total In-kind Contribution: \$592,166
  - Trainee Wages Paid During Training: \$592,166
  - Other Contributions: \$0
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Orange and Los Angeles

## **INTRODUCTION:**

THC – Orange County, Inc. dba Kindred Hospital Westminster (Kindred Healthcare) is a subsidiary of Kindred Healthcare, Inc., headquartered in Kentucky. Kindred Healthcare operates 81 long-term care acute care hospitals in 24 states, 11 located in California.

This project includes six Kindred Healthcare hospitals located in Southern California: Westminster, Santa Ana, West Covina, Brea, La Mirada and Los Angeles. Although each Kindred Hospital has a separate California Employer Account Number (CEAN), they operate as one entity under the Kindred Healthcare umbrella and have the same training needs. Kindred Hospital Westminster is the corporate office for all west region hospitals and is one of the six hospitals included in the proposed ETP Agreement.

Kindred Hospital Westminster and the five additional hospitals are eligible for ETP funding under Title 22 California Code of Regulations (CCR), Section 4409(a), Special Employment Training (SET) for frontline workers who earn at least the State average hourly wage. Kindred Healthcare proposes to train its nursing staff in advanced nursing skills designed to improve patient care and to help move the company towards a high performance workplace.

## **MEETING ETP GOALS AND OBJECTIVES:**

Kindred Healthcare proposes training that will further the following ETP goals and objectives:

- 1) Develop the skills of frontline workers and foster job retention of high-wage, high-skill jobs in the priority healthcare industry;
- 2) Support the Governor's Nurse Education initiative;
- 3) Support companies moving to a high performance workplace.

**TRAINING PLAN TABLE:**

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/Lab Videocnf. Hrs.	No. CBT Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
Job Number 1 SET Retraitees	MENU: Business Skills, Computer Skills, Commercial Skills	447	24 – 80	0	\$882	*\$22.51 – \$43.05
<b>Wages After 90-Day Retention</b>						
<b><u>Occupation</u></b>						
Licensed Vocational Nurse (LVN)						
Registered Nurse (RN)						
Nursing Supervisor						
<b><u>Health Benefits Used To Meet ETP Minimum Wage:</u></b>					<b><u>Turnover Rate</u></b>	<b><u>% Of Mgrs &amp; Supervisors To Be Trained:</u></b>
Health Benefits of at least \$.72 per hour may be used to meet the SET hourly wage of \$22.51 per hour.					18.4%	0%
<b><u>Other Employee Benefits:</u></b>						
401K Retirement Plan, Life and Disability Insurance.						

**COMMENTS / ISSUES:**

➤ **Frontline Workers**

Title 22, CCR, Section 4400(ee) provides in part:

“Frontline worker” means an individual who meets one of the following criteria:

- (1) Is not exempt from overtime under state or federal law, providing he or she directly produces or delivers goods or services. . . .

Kindred Healthcare representatives report that all participants in this project meet the Panel definition of frontline workers under Title 22, CCR, Section 4400(ee), including Nursing

**COMMENTS / ISSUES:** (continued)

Supervisors. Under the direction of the Nurse Manager, Nursing Supervisors are directly involved in patient care more than the majority of their time and are not exempt from overtime. Therefore, Nursing Supervisors are deemed to meet the Frontline worker criteria.

➤ ***Production During Training***

The proposed Contractor agrees that during ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

**RECOMMENDATION:**

Staff recommends that the Panel approve this proposal. This project will upgrade the skills of nurses at Kindred Healthcare and improve the quality of service the hospitals provide to their communities.

**NARRATIVE:**

Kindred Healthcare facilities are acute, long-term care hospitals, where patients have been usually been referred by a traditional short-term acute care hospital. Kindred Healthcare patients have an average length of stay of approximately 30 days. Hospital services provided include IV antibiotic care, wound care, rehab, pulmonary, and critical care services.

Maintaining the highest levels of service requires a wide array of specialized equipment and trained personnel. Kindred Healthcare, like other acute care hospitals, faces difficult challenges of maintaining high standards of patient care, with an ever-growing shortage of trained healthcare professionals, especially LVNs and RNs. The shortage of nurses in the healthcare industry has been reported as due to: (1) an aging population that is living longer and requiring more care; (2) a turnover rate of new graduates of 30 to 60 percent nationally; and (3) veteran registered nurses who lack the advanced technical skills and critical thinking skills necessary for an acute care environment. By increasing the skills of RNs and LVNs, Kindred Healthcare will improve the standards of patient care in all of its hospitals.

Company representatives report that, in order to increase the quality of healthcare and delivery of patient services, education and knowledge for nurses is critical, especially in the Critical Care (Intensive Care Unit). Therefore, Kindred Healthcare requests ETP funds to train 447 nurses in Business Skills, Computer Skills and Commercial Skills.

***Commercial Skills***

Company representatives report that the goal of Commercial Skills training is a dramatic improvement in patient care. All nurses will receive class/lab Commercial Skills training in acquisition and implementation of new medical technology in a critical care setting. These technical nursing courses will provide advanced skills for hospital-based staff nurses in the intensive care unit and will assist staff to provide quality comprehensive care to critically ill patients. Additionally, of the 447 nurses in the training plan, approximately 25 RNs will receive

**NARRATIVE:** (continued)

18 hours of clinical (preceptor) training in Critical Care Skills. Preceptor training is done 1:1 in the hospital area that the trainee is learning. The Preceptor (trainer) is an experienced nurse responsible for all patient care as well as the trainee's successful completion of each segment of the program. The trainee shadows and learns from the Preceptor, but is not directly responsible for patient care and does not perform any procedures alone. Kindred Healthcare representatives report that the clinical/preceptor training will provide RNs with the necessary Critical Care skills to work competently in the Intensive Care Unit.

***Business Skills***

Critical Thinking Skills, Team Concept Skills and other Business Skills will provide nurses with the problem solving and decision making techniques to help Kindred Healthcare move to a high performance workplace environment by evaluating patient data results and determining correct nursing diagnosis and nursing interventions. Company representatives report that professional competence is multidimensional and includes knowledge, psychomotor skills, critical thinking skills and interpersonal attributes. Therefore, this training is projected to increase the overall job competencies of all nurses by improving the communications skills, decision making skills and critical thinking skills of LVNs and RNs, which will ultimately be expressed in an improvement in the quality of patient care.

***Computer Skills***

All LVNs and RNs will receive Computer Skills training. Topics to be covered include proper documentation of electronic medical records (EMR) such as medication administration, order entry, progress notes and assessments. This training is projected to reduce errors and provide a higher quality of communication between nurses and physicians and will enable RNs to use the system proficiently in order to properly complete their job duties.

***Commitment to Training***

Kindred Healthcare states that ETP-funded training will not displace obligatory courses consistent with the individual needs and the expectations of the hospital. Currently the Kindred Healthcare's Education Department provides general hospital orientation for all new employees, students, and agency contract staff, and any required nurse training for new-hire nurses. The company's general training budget is approximately one percent of the total operating budget and therefore, the company does not have the financial means to develop and introduce principles of health, wellness concepts and new nursing processes for its staff. ETP funds will help bridge the challenging training budget gap that currently exists. This training will allow the hospital to train more nurses, extend the hours of the training and conduct training classes more frequently.

**SUBCONTRACTORS:**

To be determined.

**THIRD PARTY SERVICES:**

None.

**THC – ORANGE COUNTY, INC. DBA KINDRED HEALTHCARE WESTMINSTER**










MENU CURRICULUM

**Class/Lab**  
**Hours**

**24 – 80**

*Trainees will receive any of the following:*

**BUSINESS SKILLS**















-  Critical Thinking Skills
-  Team Concept Skills
-  Conflict Resolution Skills
-  Rapid Response Team (RRT)
-  Situation-Background-Assessment-Recommendations (SBAR)
-  Preceptor Skills
-  Patients Rights
-  Customer Service/Professionalism
-  Communication Skills

**COMPUTER SKILLS**

-  Pro Touch (Data Input Skills/Patient Documentation)

**COMMERCIAL SKILLS**

*(Only RNs may receive Clinical/Preceptor training)*

-  PICC Line (Peripherally Inserted Central Catheters)
-  Wound Care Skills
-  Infection Control
-  Patient Restraint Skills
-  Nursing Process Care Planning
-  LVN (Licensed Vocational Nurse) Physical Assessment Skills
-  Pain Assessment (Management and Documentation)
-  Fall Prevention
-  IV Certification for LVN
-  Critical Care Skills
-  Rhythm Recognition (Interpret Cardiac Dysrhythmias)
-  PCA (Patient Control Analgesia)
-  Advanced Cardiac Life Support (ACLS)
-  Patients' Care Products and Technology